

DIRECT TESTIMONY OF KATHY RILEY
ON BEHALF OF THE WOMEN'S SHELTER
BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
DOCKET NO. 2009-489-E

Q. WOULD YOU PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS?

A. Kathy Riley, Director, Women's Shelter, 3425 N. Main Street, Columbia, South Carolina, 29203.

Q. WOULD YOU PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE?

A. I have a Bachelor's Degree in Education from Salem State College, Salem, Massachusetts. I also have a Masters of Arts in Religious Studies from Fordham University in New York. I have been the Director of the Women's Shelter for 33 years.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?

A. Yes I have.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide The Women's Shelter's ("The Shelter") objection to and perspective on South Carolina Electric and Gas Company's (SCE&G or the Company) proposed rate hikes. As a non-profit that owns a number of residential properties in SCE&G's Service area, a significant portion of our monthly budget is allocated to our electric and gas service and the proposed increases that SCE&G has requested would have a significant impact on our ability to provide services for the women that we are trying to help. Perhaps even more importantly, these increases

1 would have a tremendous impact on the ability of low-income graduates of
2 our programs, and the low income community at large, to manage their
3 monthly budgets.

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5 **Q. CAN YOU TELL US ABOUT THE SHELTER, ITS MISSION, AND ITS**
6 **RESIDENTS?**

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8 **A.** The Women's Shelter is dedicated to assisting women who have
9 temporarily or permanently lost custody of their children and have no
10 financial or family support systems in place. We work with the women to
11 help them obtain employment, permanent shelter and often to help them
12 reconnect with their children. Our women are coming out of prison, drug
13 rehabilitation centers or other bad situations and our purpose is to help
14 them become productive members of society.

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16 **Q. WHY ARE YOU INTERESTED IN THIS PROCEEDING?**

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18 **A.** The Shelter's interests in these proceedings are as follows:

- 19
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 - Keeping residential electricity rates as low as possible for the low
 - 21 income community that we serve.
 - 22 • Keeping residential electricity rates as low as possible for our non-
 - 23 profit and other non-profit agencies that rely only on donations, but
 - 24 provide necessary and valuable services to citizens in SCE&G's
 - 25 service area; and
 - 26 • Making sure the commission understands the impact that these rate
 - 27 hikes will have on agencies like ours who are suffering from
 - 28 decreased donations and are now threatened with an enormous
 - 29 increase in our monthly budgets in the form of a massive rate hike
 - 30 from SCE&G.

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32 **Q. HOW MUCH IS YOUR MONTHLY BILL FROM SCE&G?**

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34 **A.** Our annual budget for SCE&G utilities for all 17 housing units and the
35 shelter itself is \$22,000.00 Our average monthly bill is \$1833.33. We had
36 one bill this winter in excess of \$3,500.00. Our March bill was \$2,976.20.

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38 **Q. HOW MUCH OF THE MARCH BILL WAS ELECTRIC?**

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2 **A.** \$2001.63+
3
4

5 **Q. SO WHAT WOULD BE THE IMPACT OF THIS RATE INCREASE ON**
6 **YOUR MARCH BILL?**
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8 **A.** It would increase our bill by almost \$200.00.
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10 **Q. HOW WOULD THIS RATE INCREASE AFFECT THE WOMEN THAT**
11 **THE SHELTER IS TRYING TO HELP?**
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13 **A.** Most of the women we serve live on a very tight budget. Because they are
14 trying to put their lives back together after being homeless or in prison or
15 recovering from drug addiction, they have difficulty finding jobs that pay
16 well. We subsidize them as much as we can while they are in our shelters,
17 but after they leave us, they have to make it on their own. What may seem
18 like a small increase to some people, can be a real hardship for someone
19 on a very limited income.
20
21

22 **Q. DO YOU HAVE AN EXAMPLE?**
23

24 **A.** Yes, there is a woman who has been living in our housing for two and one
25 half years now. Her name is Virginia. She is gainfully employed as a
26 housekeeper and she brings in about \$560.00 per month after taxes are
27 taken out. I would estimate that her average utility bill is \$100.00, or
28 almost 18% of her take home pay. For her, a 10% increase in that bill has
29 a significant impact on her monthly budget.
30

31 **Q. YOUR ORGANIZATION RELIES HEAVILY ON DONATIONS TO**
32 **SURVIVE DOESN'T IT?**
33

34 **A.** Yes. The Shelter receives more than 70% of it's annual budget in the form
35 of donations. Other sources of income are grants and private foundations
36 or civic groups. We also receive income on rental property from the
37 women that we help, but each of those properties is rented at a loss.
38

1 **Q. HAVE DONATIONS DECREASED OVER THE LAST YEAR?**

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3 **A.** Yes. For 2009, our donations were down approximately 30% from the
4 normal level. We actually operated at a \$34,000.00 deficit for 2009. It is
5 the first time in years that we have operated at a deficit. SCE&G's
6 proposed rate hike could not have come at a worse time for our shelter or
7 for the women that we are trying to help.
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9 **Q. HOW HAVE THE WOMEN BEEN AFFECTED?**

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11 **A.** The economy over the last couple of years has increased unemployment
12 as everyone knows. This increase in unemployment at all levels makes it
13 even more difficult for the women we serve to find employment because
14 competition for all jobs is much greater. So at the same time they are
15 being laid off, having their hours cut, or losing benefits at work, they are
16 facing a rate increase in one of their largest bills at home. This also
17 increases the burden on The Shelter, as the reduced income and greater
18 outflow experienced by the women in our various properties requires us to
19 subsidize their expenses to an even greater degree and makes it much
20 more difficult for them to transition out of our properties and into
21 independence.
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23 **Q. WHAT WOULD YOU PROPOSE THE COMMISSION DO IN RESPONSE**
24 **TO SCE&G'S RATE HIKE REQUEST?**

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26 **A.** I would propose that the commission either refuse or limit the rate request
27 by SCE&G. To raise the rate for electricity by nearly 10% around the time
28 of what might be the worst recession in most of our lifetimes would be
29 unreasonable and unfair.